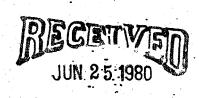
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SPUDDED IN:					·							
COMPLETED:			PUT TO PR	ODUCING:								
INITIAL PRODU	JCTION:											
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.9262

APPROVED BY THE DIVISION OF OIL, GAS, AND MINING DATE: 9/12/80



150

DIVISION OF OIL, GAU.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED	TITLE	Operations Manager		DATE 6/1/79:
(Talk space for Federal or State office		APPROVAL DATE		
APPROVED BY CONDITIONS OF APPROVAL, IF ANY:	E. W. Guynn	DISTRICT ENGINEER	•	DATE JUN 24 1980

NOTICE OF APPROVAL

FLARING OR VENTING OF GAS IS SUBJECT TO NTL 4-A DATED 1/1/80 CONDITIONS OF ACCIONAL ATTACHED TO OPERATOR'S COPY

Utah State Oil - gas *See Instructions On Reverse Side

o. S. GEOLOGICAL SURVEY - CONS	ERVATION DIVISION	
FROM: DISTRICT GEOLOGIST E, SALT LAKE CITY, UTA	u 💮	
TO : DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTA	a .	
SUBJECT: APD MINERAL EVALUATION REPORT	LEASE NO. U-C	7211
OPERATOR: Case An Resources (USA) Line	7 WELL NO. 10-5	15-23
LOCATION: ½ 5ω ½ NE ½ sec. 5, τ. 155, R.	23E, SL. M	
Wintale County, Utah		
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Wasatch 1300'	Ceder Wilten	8 300'
Mesa Verde 2300' Mancas 2500'	Thomas	84001
Mancas 2500' Castligate 2700'	T.D.	9262
Manca 3700'		
Enery 4000'		
Mancos 4400'		
2. Fresh Water: Usable water possible	through	
Weld Verde		
3. Leasable Minerals: Pussible sel shale en	. 4 6	
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The sel + gas journal, Jan. 16, 19.	18 pt. 71-74	so map
_ Signature: Wande Kepple Dat	e: 6 - 28 -79	

United States Department of the Interior Geological Survey 8440 Federal Building Salt Lake City, Utah 84138

Usual Environmental Analysis

Lease No.: U-9211

Operator: Coseka Resources

Well No.: 10-5-15-23

Location: 2267' FNL & 1589' FEL

Sec.: 5

T.: 15S R.: 23E

County: Uintah

State: Utah

Field: Wildcat

Status: Surface Ownership: Public

Minerals: Federal

Joint Field Inspection Date: July 3, 1979

Participants and Organizations:

Greg Darlington

U.S. Geological Survey, Vernal

Ron Rogers

Bureau of Land Management, Vernal

Tom Graham

Coseka Resources

Dallas Galley

D.E. Casada Construction

Lynn Gillies

Continental Helicopters

Related Environmental Analyses and References:

Utah

Analysis Prepared by: Greg Darlington

Environmental Scientist

(1) Unit Resource Analysis, Seep Ridge Planning Unit, BLM, Vernal,

Vernal, Utah

Reviewed By: George Diwachak

Environmental Scientist

Date: August 6, 1979

Salt Lake City, Utah

Noted - G. Diwachak 3) 4

Proposed Action:

On June 5, 1979, Coseka Resources filed an Application for Permit to Drill the No. 10-5-15-23 exploratory well, a 9262 foot gas test of the Dakota and Morrison Formations; located at an elevation of 7436 ft. in the SW/4 NE/4 of Section 5, T. 15S., R. 23E. on Federal mineral lands and public surface; lease No.U-9211. Since an objection was raised to the wellsite for archaeological reasons, it was moved to 2267'FNL & 1590' FEL. This did not change the 1/4 1/4 coordinates. See Sundry Notice. Moving the location required a new access road. No objection was raised to the new access proposal.

A rotary rig would be used for the drilling. An adequate casing and cementing program is proposed. Fresh-water sands and other mineral-bearing formations would be protected. A Blowout Preventor would be used during the drilling of the well. The proposed pressure rating should be adequate. Details of the operator's NTL-6 10-Point Subsurface Plan are on file in the U.S.G.S. District Office in Salt Lake City, Utah and the U.S.G.S. Northern Rocky Mountain Area Office in Casper, Wyoming. The 13-Point Surface Protection Plan is on file in the District Office in Salt Lake City.

A working agreement has been reached with the Bureau of Land Management, the controlling surface agency. Rehabilitation plans would be decided upon as well neared completion; the Surface Management Agency would be consulted for technical expertise on those arrangements.

The operator proposes to construct a drill pad 250 ft. wide x 400 ft. long and reserve a pit 150 ft. x 200 ft. A new access road would be constructed 20 ft. wide x .4 mile from a maintained road. The operator proposes to construct production facilities on disturbed area of the proposed drill pad. If production is established, plans for a gas flow line would be submitted to the appropriate agencies for approval. The anticipated starting date is upon approval and duration of drilling activities would be about 30 days.

For ancilliary facilities, an airstrip located adjacent to Seep Ridge & Road in Sections 21 and 22 of T. 15S., R. 23E. would be used for the purpose of hauling crews into and out of the location. Seep Ridge Road is part of the access route presently proposed for this well and airstrip would also be used for Coseka's operations with several other nearby wells.

Location and Natural Setting:

The proposed drillsite is approximately 45.5 miles southeast of Ouray, Utah, nearest town. A fair road runs to within .4 mile of the location. This well is a wildcat.

Topography:

On the side of a ridge sloping to the east, the newly proposed location seems satisfactory.

Geology:

The surface geology is the Green River Formation. The soil is a sandy clay with mixed sandstone and shale gravels. No geologic hazards are known near the drillsite. Seismic risk for the area is minor. Anticipated geologic tops are filed with the 10-Point Subsurface Protection Plan.

Approval of the proposed action would be conditioned that adequate and sufficient electric/radioactive/density logging surveys would be made to locate and identify any potential mineral resources. Production casing and cementing would be adjusted to assure no influence of the hydrocarbon zones through the well bore on these minerals. In the event the well is abandoned, cement plugs would be placed with drilling fluid in the hole to assure protection of any mineral resources.

The potential for loss of circulation would exist. Loss of circulation may result in the lowering of the mud levels, which might permit exposed upper formations to blow out or to cause formations to slough and stick to drill pipe. A loss of circulation would result in contamination due to the introduction of drilling muds, mud chemicals, filler materials, and water deep in to the permeable zone, fissures, fractures, and caverns within the formation in which fluid loss is occuring. The use of special drilling techniques, drilling muds, and lost circulation materials may be effective in controlling lost circulation. The operator plans to use air as a circulating medium which would reduce the potential for lost circulation.

A geologic review of the proposed action has been furnished by the Area Geologist, U. S. Geological Survey, Salt Lake City, Utah.

The operator's drilling, cementing, casing and blowout prevention programs have been reviewed by the Geological Survey Engineers and determined to be adequate.

Soils:

No detailed soil survey has been made of the project area. The top soils in the area range from a sandy clay to a clay soil. The soil is subject to runoff from rainfall and has a high runoff potential and sediment production would be high. The soils are mildly to moderately alkaline and support the salt-desert shrub community. The pinon-juniper association is also present and predominant at the site.

Top soil would be removed from the surface and stockpiled. The soil would be spread over the surface of disturbed areas when abandoned to aid in rehabilitation of the surface. Rehabilitation is necessary to prevent erosion and encroachment of undesired species on the disturbed areas. The operator proposes to rehabilitate the location and access road per the recommentations of the Bureau of Land Management.

Approximately 3.9 acres of land would be stripped of vegetation. This would increase the erosional potential. Proper construction practice, construction of waterbars, reseeding of slope-cut area would minimize this impact.

Air:

No specific data on air quality is available at the proposed location. There would be a minor increase in air pollution due to emissions from rig and support traffic engines. Particulate matter would increase due to dust from travel over unpaved dirt roads. The potential for increased air pollution due to leaks, spills, and fire would be possible.

Relatively heavy traffic would be anticipated during the drillingoperations phase, increasing dust levels and exhaust pollutants in
the area. If the well was to be completed for production, traffic
would be reduced substantially to a maintenance schedule with a
corresponding decrease of dust levels and exhaust pollutants to minor
levels. If the project results in a dry hole, all operations and
impact from vehicluar traffic would cease after abandonment. Due to
the limited number of service vehicles and limited time span of their
operation, the air quality would not be substantially reduced.

Toxic or noxious gases would not be anticipated.

Annual rain fall should range from about 8" to 11" at the proposed location. The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during early spring runoff and during extremely heavy rain storms. This type of storm is rather uncommon as the normal annual precipitation is around 8".

Winds are medium and gusty, occurring predominately from west to east. Air mass inversions are rare. The climate is semi-arid with abundant sunshine, hot summers and cold winters with temperature variations on a daily and seasonal basis.

Surface Water Hydrology:

The drainage is to the west into Main Canyon then to Willow Creek. Willow Creek flows into the Green River.

Some additional erosion would be expected in the area since surface vegetation would be removed. If erosion became serious, drainage systems such as water bars and dikes would be installed to minimize the problem. The proposed project should have minor impact on the surface water systems. The potentials for pollution would be present from leaks and spills. The operator is required to report and clean-up all spills or leaks.

Ground Water Hydrology:

Some minor pollution of ground water systems would occur with the introduction of drilling fluids (filtrate) into the aquifer. This is normal and unavoidable during rotary drilling operations. The potential for communication, contamination and comingling of formations viathe well bore would be possible. The drilling program is designed to prevent this. There is need for more data on hydrologic systems in the area and the drilling of this well may provide some basic information as all shows of fresh water would be reported. Water production with the gas would require disposal of producted water per the requirements of NTL-2B. The depths of fresh water formations are listed in the 10-Point Subsurface Protection Plan. The pits would be unlined. If fresh water should be available from the well, the owner or surface agency may request completion as a water well if given approval.

Vegetation:

The vegetation is that of a typical juniper and pinon forest with some interspersed sagebrush.

Plants in the area are of the salt-desert-shrub types grading to the pinon-juniper association.

Proposed action would remove about 3.9 acres of vegetation. Removal of vegetation would increase the erosional potential and there would be a minor decrease in the amount of vegetation available for grazing.

The operator proposes to rehabilitate the surface upon completion of operations.

Wildlife:

The fauna of the area consists predominately of mule deer, coyotes, rabbits, foxes, and varities of small ground squirrels and other types of rodents and various types or reptiles. the area is used by man for the primary purpose of grazing domestic livestock and sheep. The birds of the area are raptors, finches, ground sparrows, magpies, crows, and jays.

An animal and plant inventory has been made by the BLM. No endangered plants or animals are known to inhabit the project area.

Social-Economic Effect:

An on the ground surface archaeological reconnaissance has been performed. Appropriate clearances have been obtained from the surface managing agency. If additional historic artifacts, an archaeological feature or site is discovered during construction operations; activity would cease until the extent, the scientific importance, and the method of mitigation the adverse effects could be determined by a qualified cultural resource specialist. The well was moved 471 ft. southeast due to archaeological problems at the original site. See Sundry Notice.

There are no occupied dwellings or other facilities of this nature in the general area. Minor distractions from aesthetics would occur over the lifetime of the project and is judged to be minor. All permanent facilities placed on the location would be painted a color to blend in with the natural environment. Present use of the area is grazing, recreation, and oil and gas activities.

Noise from the drilling operations may temporarily disturb wildlife and people in the area. Noise levels would be moderately high during drilling and completion operations. Upon completion, noise levels would be infrequent and significantly less. If the area is abandoned, noise levels should return to pre-drilling levels."

The site is not visible from any major roads. After drilling operations, completion equipment would not be visible to passersby of the area but would not present a major intrusion.

The overall effect of oil and gas drilling and production activity are significant in Uintah County.

But should this well discover a significant new hydrocarbon source, local, state and possibly national economics might be improved. In

this instance, other development wells would be anticipated, with substantialy greater environmental and economic impacts.

Should the wellsite be abandoned, surface rehabilitation would be done according to the surface agency's requirements and to USGS's satisfaction. This would involve leveling, contouring, reseeding, etc., of the location and possibly the access road. If the well should produce hydrocarbons, measures would be undertaken to protect wildlife and domestic stock from the production equipment.

There are no national, state, or local parks, forests, wildlife refuges or ranges, grasslands, monuments, trails or other formally designated recreational facilities near the proposed location.

The proposed location is within the Seep Ridge Planning Unit. This Environmental Assessment Record was compiled by the Bureau of Land Management, the surface managing agency of the Federal surface in the area. The study includes additional information on the environmental impact of oil and gas operations in this area and gives land use recommendations. The E.A.R. is on file in the agency's State offices and is incorporated herein by reference.

Waste Disposal:

The mud and reserve pits would contain all fluids used during the drilling operations. A trash cage would be utilized for any solid wastes generated at the site and would be removed at the completion of the operations. Sewage would be handled according to State sanitary codes. For further information, see the 13-Point Surface Plan.

Alternative to the Proposed Action:

- 1). Not approving the proposed permit -- the oil and gas lease grants the lessee exclusive right to drill for, mine, extract, remove and dispose of all oil and gas deposits. Under leasing provisions, the Geological Survey has an obligation to allow mineral development if the environmental consequences are not too severe or irreversible. Upon rehabilitation of the site, the environmental effects of this action would be substantially mitigated, if not totally annulled. Permanent damage to the surface and subsurface would be prevented as much as possible under U.S.G.S. and other controlling agencies supervision with rehabilitation planning reversing almost all effects. Additionally, the growing scarcity of oil and gas should be taken into consideration. Therefore, the alternative of not proceeding with the proposed action at this time is rejected.
- 2). Minor relocation of the wellsite and access road or any special, restrictive stipulations or modifications to the proposed program would not significantly reduce the environmental impact. There are no severe

vegetative. animal or archaeological-historical-cultural conflicts at the new site. Since an impact on an archaeological site would be expected, the alternative of moving the location is recommended. At abandonment, normal rehabilitation of the area such as contouring, reseeding, etc., would be undertaken with an eventual return to the present status as outlined in the 13-Point Surface Plan.

- 3). Drilling should be allowed provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator.
 - a. The wellsite is to be relocated suitably to satisfy the requirements of the BLM1 for archaeological clearance. The proposed relocation at 2267 FNL and 1590' FEL would be suitable.
 - b. The topsoil stockpile is to be on the uphill side of the pad.
 - c. A trash cage instead of a burn pit is used and all refuse removed from the site at the completion of the drilling.
 - d. BLM regulations regarding winter operations in this area are to be followed.
 - e. The timber on the site is to be piled in a manner suitable to BLM and not buried with soil excavation materials.

Adverse Environmental Effects Which Cannot Be Avoided:

Surface disturbance and removal of vegetation from approximately 3.9 acres of land surface for the lifetime of the project which would result in increased and accelerated erosional potential. Grazing would be eliminated in the disturbed areas and there would be a minor and temporary disturbance of wildlife and livestock. Minor induced air pollution due to exhaust emissions from rig engines of support traffic engines would occur. Minor increase in dust pollution would occur due to vehicular traffic associated with the operation. If the well is a gas producer additional surface disturbance would be required to install production pipelines. the potential for fires gas leaks and spills of oil and water would exist. during the construction and drilling phases of the project, noise levels would increase. Potential for sub-surface damage to fresh water aquifers and other geologic formations exists. Minor distractions from aesthetics during the lifetime of the project would exist. If the well is a producer, an irreplaceable and irretrievable committment of resources

would be made. Erosion from the site would eventually be carried as sediment in Willow Creek. The potential for pollution to Willow Creek would exist through leaks and spills.

Determination:

This requested action $\frac{1}{2}$ does not constitute a major Federal action significantly affecting the environment in the sense of NEPA, Section 102(2)(0).

Date

District Engineer
U.S. Geological Survey
Conservation Division
Oil and Gas Operations
Salt Lake City District



** FILE NOTATIONS **

	DATE: YOU do, 1700				
	Operator: Coseka Resources, 2td				
	Well No: Main Caryon Unit # 10-5-15-23				
	Location: Sec. 5 T. 155 R. 23E County: Uentah				
	File Prepared: The Entered on N.I.D.:				
	Card Indexed: Completion Sheet:				
	API Number 43-047-30776				
	CHECKED BY:				
	Geological Engineer:				
	Petroleum Engineer:				
	Director:				
	APPROVAL LETTER:				
	Bond Required: Survey Plat Required:				
it provat	Order No. O.K. Rule C-3				
surrent of	Rule C-3(c), Topographic Exception/company owns or controls acreage within a 660' radius of proposed site				
SWILL	Lease Designation & Unit Plotted on Map				
`\	Approval Letter Written				
W	Ww.				
~ 1					

September 12, 1980

Coseka Resources, Ltd. 718 17th Street, Shite 630 Denver, Gabrado 80202

> Re: Well No. Main Canyon Unit #10-5-15-23 Sec. 5, T. 15S, R. 23E., Uintah County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas well is hereby granted in accordance with Section 40-6-11, Utah Code Annotated 1953; and predicated on Rule A-3, General Rules and Regulations and Rules of Practice and Procedure. However, said approval is contingent upon a survey plat of the proposed well being submitted to this office prior to the spudding of this well.

Should you determine that it will be necessary to plug and abandon this well, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer Office: 533-5771 Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (acquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API number assigned to this well is 43-047-30776.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Cleon B. Feight Director

/btm

cc: USGS

April 22, 1981

Coseka Resources 718 17th Street Suite 630 Denver, Colorado 80202

> Re: Well No. Main Canyon Unit #10-5-15-23 Sec. 5, T. 15S. R. 23E. Uintah County, Utah

Gentlemen:

In reference to above mentioned well, considerable time has gone by since approval was obtained from this effice.

This office has not recieved any notification of spudding. If you do not intend to drill this well, please notify this Divison. If spudding or any other activity has taken place, please send necessary forms. If you plan on drilling this location at a later date, please notify as such.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS, AND MINING

CLERK-TYPIST



April 28, 1981

Ms. Sandy Bates . State of Utah Division of Oil, Gas, and Mining 1588 West North Temple Salt Lake City, UT 84116

> Main Canyon Unit #10-5-15-23 Re:

Sec. 5-T15S-R23E Uintah County, Utah

Black Horse Canyon Unit

#6-25-15-23 Sec. 25-T15S-R23E Uintah County, Utah

Dear Sandy:

In response to your letters dated April 22, 1981, this letter is to notify the Division we do not intend to drill the above referenced wells.

Very truly yours,

COSEKA RESOURCES (U.S.A.) LIMITED

Brenda J. Groghan

Production Secretary

/bg

OIL GAS & MITHING

December 24, 1981

Coseka Resources 718 17th Street Suite 630 Denver, Colemado 80202

> Re: Well No. Main Canyon 10-5-15-23 Sec. 5, T. 15S, R. 23E Uintah County, Utah

Gentlemen:

This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Cari Furse Clerk Typist



January 20, 1982

Ms. Cari Furse State of Utah Divison of Oil, Gas & Mining 4241 State Office Building Salt Lake City, Utah 84114

> RE: Well No. Main Canyon 10-5-15-23 Sec.5-T15S-R23E Uintah County, Utah

> > Well No. State of Utah 10-2-15-22 Sec.2-T15S-R22E Uintah County, Utah

Dear Cari:

In response to your letters dated December 24, 1981 concerning the above referenced wells, please be advised we do not intend to drill either well and therefore you may drop our application.

Thank you for your assistance in this matter.

Sincerely, COSEKA RESOURCES (U.S.A.) LIMITED

Joyce Holtzclaw Associate Engineer

JH/ss

